



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

June 10, 2008

**Mailed via Fed Express  
6/24/08 to LACo Senate  
and Assembly Delegation**

The Honorable Ron Calderon  
California State Senate  
State Capitol, Room 4088  
Sacramento, CA 95814

Dear Senator Calderon:

Board of Supervisors  
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First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

## LOS ANGELES COUNTY BUDGET PRIORITIES

The Governor's FY 2008-09 Budget proposals would reduce funding for safety net services and restrict or eliminate access to various health, social welfare, mental health, and probation benefits. Most of these proposed reductions, with the exception of the public safety items and reductions and social service administration, were rejected by subcommittees in both houses. The County is very supportive of the subcommittees' actions rejecting the Governor's proposed reductions. Nevertheless, the size of the State's budget deficit suggests there is a possibility that the Conference Committee may decide to revisit these subjects. **On behalf of the County, we urge you to sustain the actions of the subcommittees, or to seek adequate mitigation if the Conference Committee recommends reductions in these critical areas.**

### Overall Impact

The overall impact of the Governor's FY 2008-09 Proposed Budget and the proposed May Revision extends throughout the full spectrum of the County's responsibility for safety net and protective services. The combined proposed reductions would reduce State funding to the County by \$357 million which will greatly reduce the County's ability to maintain vital services for its residents. The severity of these potential cutbacks would be experienced most deeply in the delivery of health care, social services, and public safety. These curtailments would affect access to health care, the young, the elderly, those seeking to become self-sufficient, and the safety of our residents.

The program impact by legislative district is illustrated in Attachment I. The specific impacts of these and other significant reductions are described in Attachment II in letters from the Directors of the County Departments of Health Services, Public Social

Services, Children and Family Services, Community and Senior Services, Mental Health, and Probation.

### **Health and Health Care Access**

The reductions in Safety Net Care Pool (SNCP) and South Los Angeles Preservation funding of \$24.4 million would result in the loss of over 68,000 outpatient clinic visits and thereby shift an increasing burden onto the County's already overstressed emergency rooms. The proposals to reduce the Section 1931(b) Medi-Cal income eligibility levels for low-income working parents to 68 percent of the federal poverty level would eliminate eligibility for full scope Medi-Cal services for an estimated 43,000 parents in the County in FY 2008-09 and 157,000 parents when its full impact is felt.

Restriction of Medi-Cal eligibility for emergency services will exacerbate the impact of the SNCP and South L.A. Preservation fund cuts on the County's emergency rooms and further endanger the continued viability of the Statewide emergency room system. Additionally, the changes to Medi-Cal eligibility proposed in the January Budget, which included quarterly status reporting and the elimination of continuing eligibility for children, will aggravate health delivery in the County further and reduce access to health care. Elimination of continuous eligibility for children would result in further reductions of Medi-Cal benefits to an estimated 57,000 children.

These proposals would increase the ranks of the uninsured in the County which would increase uncompensated costs and place greater demands on the County's overburdened health system. When all of these proposals are considered together, they reveal a pattern of budget decisions inconsistent with the Administration's commitment to health care reform and to increased access to health care.

The dollar amounts alone do not begin to capture the enormity of the impact on families, children, and the elderly. Because of the nature of some of these programs, it is not possible to determine the total number of families, children, and individuals who will suffer from these reductions, but it is clear that in a significant number of cases, the same families may be subject to more than one of the proposed reductions in the Governor's January and May Budget proposals.

### **Social Services**

The May Revision retains the CalWORKs proposals that will have a substantial and adverse impact on the quality of life of the County's children and families. Children would be penalized by a loss of benefits when their adult parent or caretaker reaches

the CalWORKs 60-month time limit, does not meet federal work participation requirements, or is an undocumented non-citizen, a convicted drug felon, or a fleeing felon. It is estimated that over 36,000 families with 84,000 children could lose financial assistance and other important services due to these drastic changes to CalWORKS eligibility.

The May Revision proposes to eliminate the Cash Assistance Program for Immigrants (CAPI) which provides cash assistance to elderly and/or disabled legal immigrants who are not eligible for federal SSI/SSP payments. In the County, an estimated 5,600 aged, blind, and disabled legal immigrants would lose CAPI benefits. If CAPI assistance is eliminated, most of these individuals will likely only be eligible for General Relief assistance, and receive a grant about 75 percent less than the CAPI grant which would not be enough to meet basic needs.

In addition, reductions in funding to Adult Protective Services (APS), elimination of In-Home Supportive Services (IHSS) domestic and related services for recipients determined to have lower service needs, and the proposed reduction in State participation in the cost of IHSS provider wages to the State minimum wage of \$8.00 per hour, also will affect the well-being of the most vulnerable and needy residents, and will place additional strains on the County's fragile and underfunded safety net. It is estimated that the Governor's proposals will result in over 4,400 fewer APS investigations, and a reduction in services for approximately 35,000 IHSS recipients.

### **Child Welfare Services**

The safety of children in Los Angeles County also will be seriously compromised if the Governor's proposed reductions for Child Welfare Services are adopted. The projected \$25 million funding loss will require reductions in direct services which strengthen and support families, support adoptions, kinship and relative care, and help foster youth successfully emancipate and become self sufficient. It is estimated that approximately 37,000 children will be affected by the proposed service reductions.

### **Mental Health Services**

A proposed five percent reduction in the State Maximum Allowance Medi-Cal rates will affect adults and children who are served within the mental health system. This reduction will cost the County \$23 million annually, \$17 million of which will be taken from children receiving Early Periodic Screening, Diagnosis and Treatment services. Adults will lose \$6 million in services without any State Budget benefit since these services are funded by a 50 percent County match to draw down Federal funds.

The Honorable Ron Calderon  
June 10, 2008  
Page 4

In addition, a 10 percent reduction in Medi-Cal Mental Health Managed Care funds would eliminate \$7 million for private providers under contract with the County. This will impact approximately 5,000 clients, risking deterioration in their condition potentially leading to increased demand for crisis services in emergency rooms or adding to the cost of the State or County criminal justice systems.

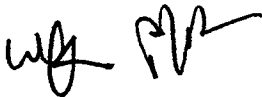
### **Public Safety**

The reductions of \$8 million for juvenile probation camps and \$3.3 million to the Juvenile Justice Crime Prevention Program would result in the potential closure of two probation camps and the placement of approximately 500 youthful offenders in either community based programs or the State Division of Juvenile Justice, and reductions in critical grants designed to curb crime and reduce recidivism. The \$1 million reduction to the Citizen's Option for Public Safety Program would affect front line law enforcement resources. An alternative proposal approved by a Senate Subcommittee would eliminate all funding for these programs which would result in the loss of \$80 million for the probation camp system and \$33 million for juvenile prevention programs.

Again, we urge you to sustain the actions of the subcommittees, or to seek adequate mitigations if the Conference Committee recommends reductions in funding for safety net services and restricts or eliminates access to various health, social services, mental health, and probation benefits. If you need additional information or have any questions, please contact me or Dan Wall, Chief Legislative Advocate at (916) 441-7888, or at [dwall@counties.org](mailto:dwall@counties.org).

We very much appreciate your consideration of our request.

Sincerely,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:GK:lm

### **Attachments**

c: Each Board Member

**PROJECTED IMPACT OF THE GOVERNOR'S PROPOSED  
HEALTH AND HUMAN SERVICES CUTS IN LOS ANGELES  
COUNTY BY LEGISLATIVE DISTRICT**

# Projected Impact of Governor's Proposed Health and Human Services Cuts In Los Angeles County by State Senate District

Senator/District	CalWORKs Full Family Sanctions # Losing CalWORKs		CalWORKs Full Family Time Limit # Losing CalWORKs		CalWORKs Child-Only Time Limits # Losing CalWORKs		Elimination of IHSS Domestic Services # Losing Domestic Services		Medi-Cal QSR and Elimination of CEC # Losing Medi-Cal		Elimination of the CAPI Program # Losing CAPI		Projected FY 2008-09 Impact of Medi-Cal 1931(b) Reduction # Losing Medi-Cal		Children Welfare Services (CWS) # with Reduced Service		Adult Protective Services (APS) Losing Service	
	Families	Children	Families	Children	Families	Children	Consumers	Children <sup>1</sup>	Adults	Parents <sup>2</sup>	Children <sup>3</sup>	Adults	Children <sup>3</sup>	Adults	Children <sup>3</sup>	Adults	Children <sup>3</sup>	Adults
Calderon, Ron (30)	583	1,188	758	1,996	1,693	4,001	2,373	6,773	305	5,091	4,071	330	5,091	330	4,071	330	4,071	330
Cedillo, Gil (22)	709	1,345	1,306	3,166	4,280	10,387	5,859	8,921	651	6,705	4,015	402	6,705	402	4,015	402	4,015	402
Kuehl, Sheila J. (23)	45	75	137	243	39	83	1,872	610	247	458	521	335	458	335	521	335	521	335
Lowenthal, Alan (27)	830	1,635	1,260	3,138	1,516	3,765	2,055	5,667	233	4,259	3,435	360	4,259	360	3,435	360	3,435	360
Margett, Bob (29)	80	164	126	293	72	156	1,085	952	197	716	610	159	716	159	610	159	610	159
McClintock, Tom (19)	1	1	2	3	3	7	49	70	7	53	48	20	53	20	48	20	48	20
Negrete McLeod, Gloria (32)	65	142	193	523	250	641	370	1,402	53	1,054	1,007	76	1,054	76	1,007	76	1,007	76
Oropeza, Jenny (28)	381	755	580	1,303	629	1,521	1,439	3,256	170	2,448	1,839	345	2,448	345	1,839	345	1,839	345
Padilla, Alex (20)	312	646	781	1,839	1,576	3,896	2,859	2,706	543	2,034	3,257	375	2,034	375	3,257	375	3,257	375
Ridley-Thomas, Mark (26)	746	1,319	2,308	5,085	1,846	4,466	4,119	5,803	826	4,362	3,526	560	4,362	560	3,526	560	3,526	560
Romero, Gloria (24)	529	1,098	889	2,204	1,315	3,135	3,080	7,076	355	5,319	3,938	316	5,319	316	3,938	316	3,938	316
Runner, George C. (17)	459	1,007	1,216	3,288	378	964	1,610	3,399	176	2,555	3,763	278	2,555	278	3,763	278	3,763	278
Scott, Jack (21)	231	447	685	1,363	451	990	5,196	2,824	1,641	2,122	1,202	394	2,122	394	1,202	394	1,202	394
Vincent, Edward (25)	1,278	2,349	3,173	7,528	1,899	4,864	2,894	7,476	226	5,620	5,544	455	5,620	455	5,544	455	5,544	455
Unassigned Number <sup>4</sup>	61	116	137	340	220	501												
<b>Total</b>	<b>6,310</b>	<b>12,287</b>	<b>13,551</b>	<b>32,311</b>	<b>16,167</b>	<b>39,377</b>	<b>34,860</b>	<b>56,935</b>	<b>5,630</b>	<b>42,796</b>	<b>36,779</b>	<b>4,405</b>	<b>42,796</b>	<b>4,405</b>	<b>36,779</b>	<b>4,405</b>	<b>36,779</b>	<b>4,405</b>

<sup>1</sup> QSR: Quarterly Status Report. CEC: Continuous Eligibility for Children.

<sup>2</sup> Upon full implementation in July 2011, an estimated 157,000 parents will lose Medi-Cal coverage under this proposal.

<sup>3</sup> Nearly all children in the CWS system will be impacted by reduced services.

<sup>4</sup> District could not be determined.

## **POTENTIAL IMPACT OF SIGNIFICANT PROPOSED BUDGET REDUCTIONS ON COUNTY SERVICES**

- Department of Health Services
- Department of Public Social Services
- Department of Children and Family Services
- Department of Community and Senior Services
- Department of Mental Health
- Probation Department



# Health Services

LOS ANGELES COUNTY

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Third District

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Fifth District

John F. Schunhoff, Ph.D.  
Interim Director

Robert G. Splawn, M.D.  
Interim Chief Medical Officer

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[www.dhs.lacounty.gov](http://www.dhs.lacounty.gov)

*To improve health  
through leadership,  
service and education.*



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June 2, 2008

Members of the Los Angeles County Legislative Delegation  
State Capitol Building  
Sacramento, CA 95814

## **SUBJECT: IMPACT OF THE GOVERNOR'S BUDGET PROPOSALS ON THE DEPARTMENT OF HEALTH SERVICES**

We urge your opposition to the Governor's Budget proposal to reduce Safety Net Care Pool (SNCP) and South Los Angeles Preservation funding for public hospitals and to reduce Medi-Cal eligibility and benefits. We request that you advocate this position on behalf of a failing health care system in this County and across the State.

*The County's emergency medical system is in crisis.* If funding and services are reduced, and the uninsured are not treated in an outpatient setting, they will resort to seeking care in already overcrowded emergency rooms (ERs). Over the past five years, ten hospitals in Los Angeles County have closed their ERs, and in most cases the full hospital. Even worse, ERs are so overcrowded that ambulances often divert patients to other ERs or they simply go to the closest ER because all hospitals in that region are on diversion. Overcrowding is so great that the County's public hospital ERs are "closed" to ambulances as much as 50 percent of the time in peak months. The lives and health of all Californians, insured and uninsured alike, are endangered when timely emergency care is not provided.

**Federal Safety Net Care Pool and the South Los Angeles Medical Services Preservation Funding.** The Governor's Budget proposal and the Legislative Analyst's Office (LAO) proposed recommendation would shift SNCP funding, which is designated for public hospitals, to backfill State General Fund dollars for other State programs in an attempt to fill other budget gaps. In FY 2008-09, the estimated SNCP reduction to the County as a result of the Governor's Budget proposal would be \$24.4 million, including \$10 million from the very critical South L.A. Preservation Fund which was created last year by SB 474 (Chapter 518, Statutes of 2007) to preserve healthcare services to the South Los Angeles County population formerly serviced by Martin Luther King-Harbor Hospital (MLK-Harbor). These funds are distributed to surrounding private hospitals, urgent care centers, and other County health facilities for treating patients who would have been treated at MLK-Harbor.

The LAO's analysis of the Governor's Budget contains a recommendation for the Legislature to adopt the Governor's proposal and to redirect additional SNCP funding from public hospitals to other State programs. If enacted, the LAO's recommendation would increase the impact on the County from \$24.4 million to an estimated \$68 million.



The funding which the County receives from the SNCP is critical because it is used to provide outpatient services to the uninsured. The combination of the Governor's Budget proposal and additional recommendations by the LAO could result in the annual loss of up to 90,000 outpatient visits from public hospital based and non-hospital based clinics.

The County's Department of Health Services is already projecting a budgetary shortfall that is projected at \$200 million in FY 2008-09 and cumulatively could reach \$1.4 billion by FY 2011-12. If the Governor's proposed budget reductions and additional recommendations by the LAO are implemented, the public hospital system, the safety net for the most vulnerable populations of this County would be significantly affected.

**Reductions in Medi-Cal Eligibility and Benefits.** The Governor's May Revision proposal to eliminate 1931(b) Medi-Cal eligibility for low-income parents would result in lack of coverage for an estimated 43,000 parents in Los Angeles County in FY 2008-09 and 157,000 parents by FY 2010-11. These individuals would add to the ranks of the estimated 2.1 million already uninsured County residents. This proposal is just one of the many proposed reductions in Medi-Cal eligibility, which would increase uncompensated costs for the County's Department of Health Services, which is the provider of last resort for the County's uninsured and indigent residents.

The May Revision also proposes to eliminate full-scope Medi-Cal eligibility for legal immigrants who have been in the U.S. for five years or less, and for persons who are permanently residing under the color of law (PRUCOL) and to limit their Medi-Cal eligibility for emergency services to the month services are provided. Eliminating eligibility for full-scope Medi-Cal services would increase the cost of providing emergency services, because this population would receive less preventive services, and would delay seeking care until their medical condition worsens, leading to higher medical costs.

These reductions in Medi-Cal eligibility and benefits will result in increased reliance on overcrowded ERs for non-emergent conditions and will exacerbate the ER crisis in this County. This endangers the lives and health of all County residents as ERs become more and more impacted as a result of more people lacking in healthcare coverage.

These cuts in public hospital funding as well as reductions in Medi-Cal eligibility and benefits will further fracture an already fragile emergency medical system and jeopardize the continued availability of emergency medical care to all Californians. Should you require additional information regarding the impact of these budget cuts on this Department, please feel free to contact me or Carol Meyer, Director of Governmental Relations, at (213) 240-8370.

Very truly yours,



John F. Schunhoff, Ph.D.  
Interim Director

JFS:CM:jp



County of Los Angeles  
**DEPARTMENT OF PUBLIC SOCIAL SERVICES**

12860 CROSSROADS PARKWAY SOUTH • CITY OF INDUSTRY, CALIFORNIA 91746

Tel (562) 908-8400 • Fax (562) 908-0459



PHILIP L. BROWNING  
Director

SHERYL L. SPILLER  
Chief Deputy

Board of Supervisors

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Fifth District

June 6, 2008

Members of the Los Angeles County Legislative Delegation  
State Capitol Building  
Sacramento, CA 95814

**SUBJECT: IMPACT OF THE GOVERNOR'S BUDGET PROPOSALS ON THE  
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

We urge your opposition to the Governor's Budget proposals that affect the CalWORKs, In-Home Supportive Services, Medi-Cal, and Cash Assistance Program for Immigrant programs. Our Department administers a broad range of federal, State and County-funded social service programs designed to address some of the basic needs of many vulnerable residents in your District. I am writing to make you aware of the large number of low-income children, families, elderly, and disabled in Los Angeles County who would be put at significant risk by the following proposed cuts included in the Governor's May Revision:

- **CalWORKs** – An estimated 84,000 children in 36,000 families in Los Angeles County will immediately lose CalWORKs cash assistance benefits as a result of the Governor's Budget proposals to implement: (1) graduated full-family sanctions; (2) a 60-month time limit for children whose parents have timed-off cash assistance and are not meeting federal work participation requirements; and (3) a 60-month time limit for children whose parents are either undocumented, drug felons, or fleeing felons. Terminating these children from assistance will cement many of the impacted families in poverty, destabilize many of these families, and potentially increase homelessness.
- **In-Home Supportive Services (IHSS)** – An estimated 35,000 IHSS consumers will lose the domestic and related services they currently receive in order to be cared for safely in their own homes and avoid more costly institutionalization. The Governor's Budget is proposing to cut IHSS services for consumers who are assessed to be less severely impaired. Eliminating such services, which may include meal preparation and clean-up, grocery shopping, or laundry, will make it more difficult for many of these individuals to continue living in their own homes, placing many at risk of becoming institutionalized more quickly.

In addition, 137,000 IHSS providers in Los Angeles County would be negatively impacted by the Governor's Budget proposal to reduce State participation in IHSS provider wages and benefits to the State's minimum wage (\$8 per/hr) and 60 cents

for health benefits. If this proposal were enacted, IHSS provider wages in Los Angeles County would be reduced from the current \$9 per hour to \$8 per hour. This reduction in the hourly wage could make it more difficult for some IHSS consumers to secure and/or retain providers. Restoring IHSS provider wages back to the current \$9.00 per hour without state participation above the minimum wage would cost the County \$64.8 million, annually.

- **Medi-Cal** - An estimated 57,000 children in Los Angeles County will be terminated from Medi-Cal as a result of the elimination of Continuous Eligibility for Children and reinstatement of Quarterly Reporting.

In addition, it is estimated that 43,000 parents will lose Medi-Cal 1931(b) coverage in FY 2008-09, and a total of 157,000 parents will lose coverage upon full implementation of the Governor's Budget proposal to eliminate Medi-Cal 1931(b) eligibility for many of the poorest parents who are currently covered. Specifically, parents with incomes over 68% of the federal poverty level and/or in households working over 100 hours per month will not be eligible for Medi-Cal.

- **Cash Assistance Program for Immigrants (CAPI)** – An estimated 5,600 aged, blind and/or disabled individuals who are legal immigrants of the United States will be denied assistance and be at significant risk of hunger and homelessness as a result of the Governor's Budget proposal to eliminate the CAPI program, effective August 1, 2008. This program provides cash benefits to legal immigrants who are not eligible for federal Supplemental Security Income benefits. The vast majority of these individuals in Los Angeles County live alone and CAPI is generally their only source of income. All of these individuals denied CAPI benefits would become eligible for General Relief (GR), which is 100% county-funded, but would face significant hardship retaining their housing and meeting their basic needs on a GR grant. Furthermore, the GR cost shift that would result from the elimination of state-funded CAPI benefits would cost Los Angeles County an estimated \$14.9 million, annually.

Despite the difficult State Budget climate over the past few years, we have continued to improve the quality of our services, efficiency of our operations, and positive outcomes for the low-income families and individuals we serve. However, the enactment of the Governor's above proposals would severely destabilize tens of thousands of Los Angeles County's most vulnerable children, families, elderly, and disabled.

If you have any questions, please do not hesitate to contact me at (562) 908-8383, or your staff may contact Bill Taylor, Director of Intergovernmental Relations, at (562) 908-8517.

Sincerely,



Philip L. Browning  
Director



**County of Los Angeles  
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

425 Shatto Place, Los Angeles, California 90020  
(213) 351-5602

**PATRICIA S. PLOEHN, LCSW**  
Director

June 5, 2008

Board of Supervisors

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Members of the Los Angeles County Legislative Delegation  
State Capitol Building  
Sacramento, CA 95814

**SUBJECT: IMPACT OF THE GOVERNOR'S BUDGET PROPOSALS ON THE DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

We urge your opposition to the Governor's Budget proposal to reduce funding for Child Welfare Services (CWS) because of the significant impact it would have on California's most vulnerable population. CWS protects and promotes the welfare of children who are abused, neglected or homeless and has a goal to provide them with safe, stable, and loving homes. The Los Angeles County Department of Children and Family Services (DCFS) is the safety net for these children who would be placed at great risk if these reductions are enacted. The CWS Program is already severely underfunded and the Governor's Budget proposals would further limit resources for this important program.

DCFS has the responsibility to respond 24 hours a day, 7 days a week to reports of child abuse and neglect. Our social workers are highly trained to make life or death decisions about the most vulnerable children in our communities. Social workers must assess a family's capacity to care for their children and provide them with critical supportive services. The child welfare system helps to reunite children with their families when it is safe and in the child's best interest and if not, CWS becomes the parent on behalf of the State and works to find permanent, stable and loving families to care for these children.

If the Governor's proposed Budget reductions are enacted, Los Angeles County would lose an estimated \$25 million in funding which would severely curtail critical services to children and their families. We estimate that over 36,000 children would be affected by the proposed reductions. In addition, DCFS would have to eliminate up to 200 staff positions and make reductions to various critical programs. Less social workers would mean fewer investigations on reports of child abuse and neglect, fewer children being reunited with their families, a decline in the number of children placed in adoptive homes, and more children remaining in foster care at a greater cost to the State, but more importantly, to the child's well being.

Los Angeles County is monitored and held accountable to outcome measures established by the State and Federal governments. Over the past four years, we have made significant improvements to our outcomes such as increased child safety, more timely reunification of children with their families, and decreased amount of time children are in foster care. At the end of 2007, DCFS recorded the lowest number of children in out-of-home care in its history with less than 20,000 children in out-of-home placement, down from a high of more than 50,000 children over the last ten years. Further improvement of these outcomes is a goal of my Department and the proposed funding reductions would make that more difficult to accomplish.

*"To Enrich Lives Through Effective and Caring Service"*

Finally, it should be noted that in July of 2007, Los Angeles County entered into an agreement with the State to engage in a five-year Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (Waiver). The Waiver provides us with financial flexibility to make strategic investments in structural and programmatic reforms that are needed to better serve children and families in a cost neutral manner. These reforms efforts, which build on significant system improvements already underway, would be adversely impacted by proposed budget cuts.

DCFS remains committed to the safety of the vulnerable children we serve. Please contact me at (213) 351-5600 or Mitch Mason, Division Chief, Governmental Relations at (213) 351-5746, if you would like additional information.

Respectfully yours,

  
PATRICIA S. PLOEHN, LCSW  
DIRECTOR

PSP:MHM:wj



CYNTHIA D. BANKS  
Director

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**COMMUNITY AND SENIOR SERVICES  
OF LOS ANGELES COUNTY**

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3175 WEST SIXTH STREET • LOS ANGELES, CA 90020-1708 • (213) 637-0798 (213) 380-8275 FAX

*"To Enrich Lives Through Effective And Caring Service"*

BOARD OF SUPERVISORS

GLORIA MOLINA  
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DON KNABE  
MICHAEL D. ANTONOVICH

June 3, 2008

Members of the Los Angeles County Legislative Delegation  
State Capitol Building  
Sacramento, CA 95814

**SUBJECT: IMPACT OF THE GOVERNOR'S BUDGET PROPOSALS ON THE  
DEPARTMENT OF COMMUNITY AND SENIOR SERVICES**

We urge your opposition to the Governor's Budget proposal to reduce Adult Protective Services (APS) Program funding by ten percent. In Los Angeles County, the proposed cuts will result in a loss of \$2.6 million which would result in over 4,400 reports of neglect and abuse not being investigated.

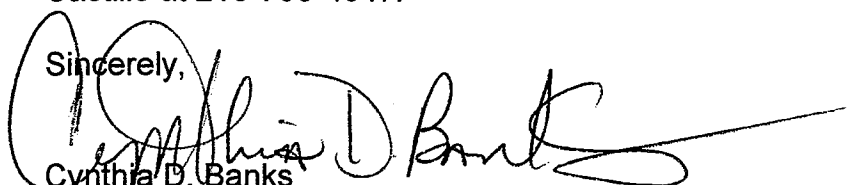
As the population of senior citizens continues to grow, reports of elder abuse are increasing; however, funding for the APS Program has been frozen for several years. Los Angeles County strives to protect vulnerable senior and dependent adults and address the rising tide of abuse with limited resources. The APS Program responds 24 hours a day/7 days a week to reports of life-threatening abuse and neglect among elder and dependents.

Elder and dependent adult abuse is a serious and growing problem that has a detrimental impact on victims and their families as well as society. We see the impact every day in our social services organizations, public and mental health programs, hospitals, financial institutions and law enforcement agencies. Elder and dependent adult abuse is costly as victims face premature institutional care, reliance on public benefits, loss of personal assets and possibly premature death.

Although already severely underfunded, the APS Program has proven to be a vital and cost-effective program providing much needed services to California's most vulnerable residents.

If you have any questions, please call me at 213-637-0798 or your staff may call Vera Castillo at 213-738-4347.

Sincerely,



Cynthia D. Banks  
Director

MARVIN J. SOUTHARD, D.S.W.  
Director

ROBIN KAY, Ph.D.  
Acting Chief Deputy Director

RODERICK SHANER, M.D.  
Medical Director



BOARD OF SUPERVISORS

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DEPARTMENT OF MENTAL HEALTH

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

<http://dmh.lacounty.gov>

June 5, 2008

Members of the Los Angeles County Legislative Delegation  
State Capitol Building  
Sacramento, CA 95814

### **IMPACT OF THE GOVERNOR'S BUDGET PROPOSALS ON THE DEPARTMENT OF MENTAL HEALTH**

We urge your opposition to the Governor's Budget proposals to reduce the State Maximum Allowance (SMA) Medi-Cal rates by five percent and the Mental Health Managed Care rates by ten percent.

The Los Angeles County Department of Mental Health (DMH) serves the largest number of persons with mental illness in the nation. We have worked over the last ten years to build a community-based set of mental health treatment options to serve the diverse multi-ethnic population in Los Angeles County in a cost efficient and culturally competent manner. The Governor's proposed budget cuts to community mental health systems will result in the elimination of critical services or a decrease in their availability. A significant number of individuals will lose these important cost effective services, and they will end up in already overcrowded and expensive emergency rooms, acute care hospitals, or in the criminal justice system. We are also concerned that any additional budget reductions will result in a further loss of community providers. Current rates are not competitive with insurance reimbursements and private payment for services. We have already lost many providers because of this inequity.

**SMA Medi-Cal Rates Reduction.** The Governor's Budget proposal to reduce SMA Medi-Cal rates by five percent will have a significant impact to adult and children programs because treatment rates are linked for all persons who are served within the mental health system in California. Thus, any reduction in the SMA rates will affect all Medi-Cal mental health recipients regardless of age.

The SMA rate reduction for adult services will not generate any State General Fund savings because counties provide the matching funds to draw down the Federal Financial Participation (FFP) funds. The proposal, however, will result in the loss of \$6 million for adult programs in Los Angeles County because we will not be able to draw down federal matching funds. In addition, if counties are forced to increase rates to retain providers, it will likely reduce services to the most seriously mentally-ill adults.

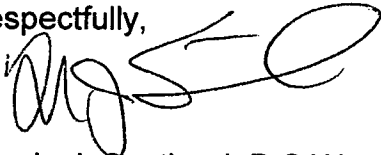
*"To Enrich Lives Through Effective And Caring Service"*

The proposed reductions in children's services will result in the loss of \$17 million in Early Periodic Screening, Diagnosis and Treatment (EPSDT) services because the County will not be able to draw down either the State or FFP matching funds. The proposed SMA rate reduction will also make it more difficult for the County to secure providers to serve EPSDT children.

**Medi-Cal Mental Health Managed Care Reduction.** Under Fee-For-Service (FFS) Medi-Cal, many Los Angeles County residents receive services from private providers under contract to DMH or are seen at County clinics for medication and counseling services. The Governor's proposed reduction would eliminate \$7 million currently received by DMH thereby impacting approximately 5,000 County residents. Without these services, the condition of most of these clients would deteriorate leading to increased demand for crisis services in emergency rooms or become part of the criminal justice system at a far greater cost to the State or the County.

Should you have any further questions, please do not hesitate to contact me at (213) 738-4601 or at [msouthard@dmh.lacounty.gov](mailto:msouthard@dmh.lacounty.gov).

Respectfully,

A handwritten signature in black ink, appearing to read 'MJS', with a large, stylized flourish extending to the right.

Marvin J. Southard, D.S.W.  
Director of Mental Health

MJS:SR



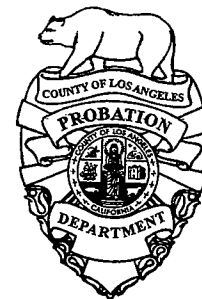


**ROBERT B. TAYLOR**  
Chief Probation Officer

## COUNTY OF LOS ANGELES PROBATION DEPARTMENT

9150 EAST IMPERIAL HIGHWAY — DOWNEY, CALIFORNIA 90242

(562) 940-2501



June 9, 2008

Members of the Los Angeles County Legislative Delegation  
State Capitol Building  
Sacramento, CA 95814

### **SUBJECT: IMPACT OF THE GOVERNOR'S BUDGET PROPOSALS ON THE PROBATION DEPARTMENT**

Proposals to reduce funding for juvenile probation camps, the Juvenile Justice Crime Prevention Act (JJCPA) Program and the Mentally Ill Offender Crime Reduction (MIOCR) Grant jeopardize the integrity of these programs. The potential impact extends across the spectrum of juvenile probation supervision and prevention services that rebuild lives, provide healthy and safe communities, ensure victim's rights, effect positive behavior change and enable thousands of juvenile offenders to receive successful evidence-based services and treatment in and near their homes rather than be committed to the Division of Juvenile Justice (DJJ) of the California Department of Corrections and Rehabilitation. Therefore, we urge that these proposals be rejected and funding restored.

The Governor's Budget proposal to cut critical probation programs by ten percent means a reduction of \$8.0 million for the Los Angeles County probation camp system, \$3.3 million for JJCPA community-based programs and approximately \$250,000 for juvenile MIOCR Grant programs. On May 8, 2008, the Senate Budget Subcommittee No. 4 took action to eliminate all funding for these programs which would result in the loss of \$80 million for the probation camp system, \$33 million for juvenile prevention programs and \$2.5 million for the juvenile mentally ill offender programs

Los Angeles County currently operates 18 juvenile probation camps which provide housing, programming and services for over 5,000 youth per year. Approximately 10 percent of youth are placed in camp for offenses which could have resulted in a commitment to the DJJ. An \$8.0 million reduction would result in closure of two camps and the placement of approximately 500 youthful offenders in either community-based programs or the DJJ. The Senate Budget Subcommittee No. 4 proposed reduction of \$80 million would result in the closure of 14 or 15 of the camps and the placement of over 4,000 additional youth in community-based treatment or the DJJ.

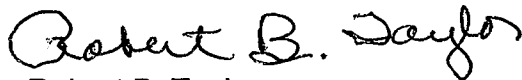
The JJCPA Program funds 15 community-based prevention and supervision programs in Los Angeles County which serve an estimated 26,000 at-risk youth and their families

each year. The programs are designed to divert youth from the juvenile justice system and reduce recidivism. For those youth who have come in contact with the juvenile justice system, a \$3.3 million reduction will force the curtailment of these services for approximately 2,600 youth and their families which will increase the risk for both these youth and the community. The elimination of the entire \$33 million allocation for Los Angeles County would not only result in the loss of services, prevention, and supervision for 26,000 youth and their families, but inevitably lead to increased State incarceration.

The MIOCR Grant supports two locally developed efforts to reduce recidivism and promote long-term stability among mentally ill juvenile offenders in Los Angeles County. The Intensive Case Management Services Project targets juvenile offenders transitioning home from residential group home placement and involves family functional therapy, intensive probation supervision and medication support services. The program is designed to serve 160 of the most at-risk youth in the community. The Enhanced Camp Transition Project includes a comprehensive assessment, expanded in-custody mental health and serves approximately 115 youth. A \$250,000 reduction to these programs would affect the treatment of approximately 25 of the most at-risk, mentally ill youth in the community. The Senate Budget Subcommittee No. 4 proposed \$2.5 million reduction would significantly impact the treatment and transition to the community of 275 at-risk mentally ill youth.

The proposed reductions to these programs will seriously erode our efforts to provide services for at-risk juvenile offenders and their families and to ensure the safety and protection of Los Angeles County residents.

Sincerely,

A handwritten signature in black ink that reads "Robert B. Taylor". The signature is written in a cursive, flowing style.

Robert B. Taylor  
Chief Probation Officer

**LOS ANGELES COUNTY DELEGATION  
CALIFORNIA STATE SENATE**

**(Subject to Changes)**

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